

**IN THE UNITED STATES DISTRICT COURT
WESTERN DISTRICT OF ARKANSAS
FORT SMITH DIVISION**

BILLY C. LOONEY; GOODWIN & HERMAN ASSOCIATES,
LLC, an Arkansas Limited Liability Company; and SILOAM
MINERALS, LLC, an Arkansas Limited Liability Company

PLAINTIFFS

v.

Case No. 2:15-CV-02108TLB

CHESAPEAKE ENERGY CORPORATION, an Oklahoma
Corporation; CHESAPEAKE OPERATING, L.L.C., formerly doing
business as CHESAPEAKE OPERATING, INC., an Oklahoma
Corporation; CHESAPEAKE EXPLORATION, LLC, an Oklahoma
Limited Liability Company; and CHEAPEAKE ENERGY
MARKETING, L.L.C., formerly doing business as CHESAPEAKE
ENERGY MARKETING, INC, an Oklahoma Corporation

DEFENDANTS

**AGREED MOTION FOR PRELIMINARY APPROVAL
OF CLASS SETTLEMENT AGREEMENT AND
APPROVAL OF NOTICE TO SETTLEMENT CLASS MEMBERS**

Plaintiffs Billy C. Looney, Goodwin & Herman Associates, LLC and Siloam Minerals, LLC ("Plaintiffs"), with the agreement of Defendants, move, pursuant to Rule 23 of the Federal Rules of Civil Procedure, for this Court to approve preliminarily the class settlement agreement (attached as Exhibit 1) and to approve notice to the members of the Settlement Class as described in the class settlement agreement. In support of their motion, Plaintiffs state as follows:

1. Plaintiffs filed their original Complaint on June 3, 2015. An Amended Complaint was filed on June 23, 2015. Plaintiffs' Amended Complaint alleges claims for breach of contract, breach of common law and statutory duties, violation of Ark. Code Ann. § 15-74-601, *et seq.* & § 15-74-701, *et seq.*, violation of the Arkansas Deceptive Trade Practices Act, unjust enrichment and accounting of royalties due and owing. Plaintiffs are seeking compensatory and statutory damages and injunctive relief.

2. The parties have negotiated a class settlement (“Class Settlement Agreement,” Exhibit 1). Through this Class Settlement Agreement, Defendants will fully and completely satisfy any and all claims of Class Members by paying Class Members a total payment of \$3,250,000. The cost of administration of the settlement, class representative fees and attorneys’ fees and costs of Class Counsel will be paid from the \$3,250,000. By entering into the Class Settlement Agreement, neither Plaintiffs nor Defendants make any admissions relating to the claims and defenses raised in this lawsuit.

3. Plaintiffs, with agreement of Defendants, request the Court to certify, solely for purpose of the Class Settlement Agreement and its implementation, a Rule 23(b)(3) (“Settlement Class”), defined as follows:

All non-excluded persons and entities who have, during the Class Period, received one or more gas royalty payments directly from Chesapeake under an Arkansas Lease, according to the business records maintained by Chesapeake. The Settlement Class excludes (i) Chesapeake and their respective predecessors, successors and affiliates; (ii) those persons or entities whose Owner Numbers are delineated on Exhibit F of the Settlement Agreement, all of whom have reached a resolution with Chesapeake or are presently litigating their claims outside of the *Looney* case, according to Chesapeake’s records; (iii) those persons or entities whose Owner Numbers are delineated on Exhibit G of the Settlement Agreement, all of whom were members of the settlement class in *Vanoven, et al v. Chesapeake Energy Corporation, et al*, Case No. 4:10-cv-158-BSM (U.S.D.C. E.D. Ark), according to Chesapeake’s records; (iv) those persons or entities whose Owner Numbers are delineated on Exhibit H of the Settlement Agreement, all of whom have royalties that have escheated, according to Chesapeake’s records; (v) the federal government; (vi) legally-recognized Indian Tribes; and (vii) any person who serves as a judge in this civil action and his/her spouse.

4. Plaintiffs request the Court to find and conclude that the Class Plaintiffs will fairly and adequately represent and protect the interests of the Settlement Class, and appoint them to serve as the representatives of the Settlement Class. Plaintiffs further request the Court

to appoint Thomas P. Thrash, Thrash Law Firm, P.A.; Larry D. Moffett, Daniel Coker Horton & Bell; Don Barrett, Barrett Law Group, P.A.; David Stellings and Daniel Seltz, Lief Cabraser Heimann & Bernstein, LLP; Steven Shults and Debra Brown, Shults and Brown, LLP; and Matthew H.P. Warner, Graves Warner, PLC to serve as Class Counsel.

5. Plaintiffs request the Court to appoint Angeion Group, LLC as the Class Administrator to effectuate and administer Class Notice, the exclusion process for opt-outs and the payment of claims process for members of the Settlement Class. The costs associated with the notice to the Settlement Class and the administration of the Class Settlement Agreement will be paid from the settlement fund.

6. The third-party administrator will send, by first class mail, settlement notice to all members of the Settlement Class. The parties request approval of the notice of proposed Class Settlement attached to the Class Settlement Agreement as Exhibit B. The notice advises members of the Settlement Class of their rights to opt-out of the class settlement or object to the Class Settlement Agreement. The notice also advises members of the Settlement Class of the monetary benefits of the Class Settlement Agreement. The parties request that this Court find that the form of the notice and the sending of notice by first class mail meets the requirements of Rule 23 and due process.

WHEREFORE, Plaintiffs and Defendants respectfully request this Court to enter an order in the form attached to the Class Settlement Agreement as Exhibit A and (i) preliminarily approve the class settlement agreement as fair, reasonable and adequate under the circumstances of this lawsuit; (ii) certify, pursuant to Rule 23(b)(3), and for purposes of settlement only, the Settlement Class; (iii) schedule a hearing, pursuant to Rule 23, for final approval of the class settlement agreement; (iv) set a deadline for members of the Settlement Class to submit opt-outs,

or to object; and (v) direct that the notice in the form attached to the Class Settlement Agreement be given to Class Members by direct mail; and for all other proper relief.

Dated March 31, 2016.

Respectfully Submitted:

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CERTIFICATE OF SERVICE

I certify that on this 31st day of March, 2016, I electronically filed the foregoing with the Clerk of the Court using the CM/ECF system, which shall send notification of such filing to the following and mailed the foregoing by first class mail and e-mail to the following:

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/s/ Thomas P. Thrash
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